

## **EXHIBIT C**

UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

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In Re: CATHODE RAY TUBE (CRT)  
 ANTITRUST LITIGATION,

Plaintiff,

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This Document Relates to:

ALL ACTIONS,

)  
 )  
 )  
 )  
 ) Case No.  
 ) 07-5944 SC  
 ) MDL No. 1917  
 )  
 )  
 )  
 )

CONFIDENTIAL TRANSCRIPT ATTORNEYS' EYES ONLY

DEPOSITION OF JERRY A. HAUSMAN, PH.D.

July 23, 2014

BALINDA DUNLAP, CSR No.10710,

RPR, CRR, RMR  
 378559

SINCE  
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1 Q. Okay. Well, whether there is or there  
2 isn't, you were critical of another expert for not  
3 accounting for product mix, and in your example --

4 A. Right.

12:08 5 Q. -- you didn't do that, correct?

6 A. But what I'm saying is, is that --

7 Q. I'm sorry, she didn't register your  
8 answer.

9 A. Yes. But in steel sometimes we -- you  
12:08 10 know, I put evidence that the prices can vary by  
11 three to five times, and that would be unlikely to  
12 be true for one size CPT.

13 Q. Well, didn't you make the same criticism  
14 of an expert in the LCD case, the plaintiffs'  
12:09 15 expert, didn't you criticize her also for not using  
16 product mix in her example and not further  
17 disaggregating the data?

18 A. I thought I looked at that in LCD, and I  
19 am just speaking from memory, and I didn't find it  
12:09 20 to be important.

21 Q. Well, didn't -- whether you found it to be  
22 important or not, didn't you find that good  
23 econometric practice would be to disaggregate the  
24 data?

12:09 25 A. If one has sufficient data. And

1 Dr. Jenkins had a lot more data than I do here. If  
2 I remember, she had thousands of observations.

3 Q. But didn't you just -- didn't you  
4 criticize her for not further disaggregating the  
12:09 5 data?

6 A. Yes, because as I said, if I remember it,  
7 she had thousands of observations. I had 200.

8 Q. Uh-huh. And LCD, that's a type of  
9 television panel, right, that's not the steel  
12:09 10 industry?

11 A. Well, in what she was doing, it was  
12 cellular screens, and those change a lot over time  
13 because the models keep changing.

14 Q. Okay. Fair enough. That was the screens  
12:10 15 for mobile devices?

16 A. Yeah, it's --

17 Q. Okay.

18 A. -- Nokia.

19 Q. Not steel, right?

12:10 20 A. Not steel.

21 Q. Okay. Do you agree with the comment in  
22 your LCD report that when you have an unbalanced  
23 data set with heterogenous products, you should use  
24 disaggregated data?

12:10 25 A. To the extent you can, yes.

1 Q. And in CRT we, in fact, have an unbalanced  
2 data set with heterogenous products, correct?

3 A. Heterogenous, yes.

4 Q. Did you do anything to account for the  
12:10 5 entry and exit of manufacturers into the market?

6 A. Not the -- they may come into the weighted  
7 average, but not beyond that.

8 Q. Did you do anything to account for the  
9 entry or exit of models, model -- particular models  
12:10 10 of tube in your analysis?

11 A. Well, since I looked at size, some sizes  
12 enter and some sizes pretty much exit. So it takes  
13 account of that, but not beyond that.

14 Q. Okay. Just size but not the features of  
12:11 15 the models, correct?

16 A. That's correct.

17 Q. Let me just show you what's been  
18 previously marked -- okay. Let me just show you  
19 another document, a report that you prepared in  
12:11 20 LCD.

21 (Discussion off the record.)

22 (Reporter marked Exhibit No. 4106 for  
23 identification.)

24 Q. BY MR. YOHAI: This report is entitled  
12:11 25 "Expert Report of Professor Jerry A. Hausman,

1 February 23rd, 2011."

2 A. Yes.

3 Q. Did you prepare this report in the LCD  
4 case?

12:12 5 A. Yes.

6 Q. And that's your signature on Page 16?

7 A. Yes.

8 Q. And the discussion that we were having  
9 about why it's important to disaggregate data, you  
10 mention that at Paragraph 31 of your report, do you  
11 not?

12 A. Yes.

13 Q. Nowhere in here did you say anything about  
14 the amount of observations mattering, did you?

12:12 15 A. No, I just took what there was available  
16 in LCD.

17 Q. Okay. Thank you. You can put that aside.

18 A. Okay.

19 Q. Did you do any stability testing on your  
12:13 20 model?

21 A. A little bit, yes.

22 Q. Okay. Tell me what you mean by "stability  
23 testing"?

24 A. Chow test.

12:13 25 (Clarification by the reporter.)

1           A.    Customers lie to the companies, too,  
2   believe it or not.

3           Q.    Okay.

4           A.    Customers say they are also getting a  
02:01 5   lower price than they are really getting to try to  
6   get a manufacturer to bring down price.  That's a  
7   very common strategy as well.

8           Q.    I see.  Okay.  Because the cheating, all  
9   other things being equal, would reduce the  
02:01 10   effectiveness of the cartel, that would likely  
11   result in reduced damages as well, correct?

12          A.    Yes, holding other things equal, as you  
13   like to say.

14          Q.    Thank you.  Okay.

02:01 15                Now, we discussed earlier that you were an  
16   expert in the LCD case, correct?

17          A.    Yes.

18          Q.    And in that case, Sharp itself was accused  
19   of price-fixing, correct?

02:02 20          A.    Yes, they were certainly a defendant.

21          Q.    And Sharp in that case, in fact, pled  
22   guilty to the price-fixing, did it not?

23          A.    I don't have memory of that one way or  
24   another, but I don't disagree.

02:02 25          Q.    Okay.  Did you ever see the plea agreement

1 that Sharp entered into in that case?

2 A. I may have, but, you know, most of this is  
3 five years ago, so I am not going to remember.

4 Q. Okay. Do you remember that the  
02:02 5 price-fixing that Sharp pled guilty to had  
6 something to do with prices of TFT-LCD screens for  
7 Dell, Apple and Motorola in particular; do you  
8 remember that?

9 A. No, I have no memory at all. Sorry.

02:02 10 Q. Do you know whether Sharp engaged in  
11 bilateral meetings with other TFT-LCD competitors?

12 A. Again, I don't have a memory of that.  
13 I -- the -- if you look at my report in that case,  
14 I say in the beginning --

02:02 15 Q. Uh-huh.

16 A. Why don't I find it because this will  
17 perhaps save time. I need to find it. Yeah, so on  
18 Page 4, Paragraph 7, I say.

19 Q. Uh-huh.

02:03 20 A. "I have not reviewed the documentary  
21 record and I have no view with respect  
22 to whether the alleged conspiracy  
23 existed and what the dates of an  
24 effective conspiracy were, if any. I  
02:03 25 take Dr. Jenkins' assumptions on this



1 matter as given and only analyze the  
2 reliability of Dr. Jenkins' estimated  
3 overcharge percentage."

4 So that -- I really didn't do a study of  
02:03 5 the documents in that case. I think I saw some  
6 plea agreements, but that's just a vague memory.

7 Q. Okay. You said in this case that:

8 "It is economically irrational for  
9 participants to participate in an  
02:04 10 information exchange designed to  
11 increase prices for a single customer  
12 instead of the entire market."

13 Do you recall saying that?

14 A. Yes, I think it is in my report.

02:04 15 Q. Okay. In the LCD case, wasn't it the case  
16 that Sharp, in fact, pled guilty to an information  
17 exchange plea with respect to only a few customers  
18 and not the whole market?

19 MR. BENSON: Objection to form.  
02:04 20 Mischaracterizes the record and the agreement.

21 THE WITNESS: I really -- I can't really  
22 answer that.

23 MR. YOHAI: You don't know, all right.

24 Let me just show you quickly the plea  
02:04 25 agreement.